

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /1029

Date of Decision: 13 November 2018

Complaint

The customer submits that she received a large bill; however, when she asked the company in November 2017 to investigate the matter, she did not receive a reply for seventy days. After raising a complaint with the Consumer Council for Water, investigators arrived on site but without the appropriate equipment to investigate the high consumption. An investigator who attended in July 2018 said it was likely that there was a leak somewhere along the supply pipe and recommended that she use a private business to locate and fix the leak. The recommended business refused to carry out the work. She has found a contractor willing to locate and fix the leak but they are awaiting permission to dig up the road. She requests that the company relocate the external meter to nearer her boundary as currently it is four hundred meters away in a lay-by near a busy junction, making it impossible to notice leaks (she has been asking the company to do this for ten years due to past issues with leaks). She requests that the company credit her account for the loss of water due to the leak during this timeframe (circa £15,000.00).

Defence

The company asserts that the Wholesaler has advised that the leak is on the private supply pipe, which is the customer's responsibility, and as yet the customer has not informed it that the leak has been fixed. The customer is not entitled to a leak allowance as she received one in 2013 for another leak. This is in accordance with the Wholesaler's policy, which states only one leak allowance per customer. It accepts there have been service shortfalls on its part and it is willing to cover the cost of the customer's meter relocation, which due to a recent change in policy, the Wholesaler has agreed to undertake. The company offered (in its Defence) to relocate the external customer's meter, free of charge, as compensation.

Findings

The Wholesaler is responsible for operational issues including leaks and deciding if a customer is entitled to a leak allowance and as the Wholesaler is a third party, this adjudication cannot consider this aspect of the claim. However, the evidence shows there were unreasonable and prolonged delays by the company in responding to the customer's requests for the high bill to be investigated and it was slow to chase up the matter up with the Wholesaler

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when the customer complained no progress had been made. There is also evidence of it sending the customer's bills late and making other billing errors. This is evidence of the company failing to provide its services to a reasonably expected standard.

Outcome

The company shall pay the customer compensation of £1,000.00 and adhere to its promise to relocate the customer's external water meter, free of charge (please refer to paragraph 11 for more details).

The customer must reply by 11 December 2018 to accept or reject this decision.

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ADJUDICATOR'S DECISION

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Date of Decision: 13 November 2018

Party Details

Customer: []

Company: []

Case Outline

The customer's complaint is that:

- The dispute relates to a premises that is a farm with a domestic dwelling: [] ('the Premises').
- The meter is situated four hundred meters off the Premises along a main road in a large grass verge lay-by at the junction of two busy roads. The lay-by is routinely used by utility contractors to park heavy equipment and stores when carrying out various utilities and road works. The meter is housed in a brick pit some two to three meters below ground level meaning it is inaccessible for large part of the year, particularly autumn and winter or periods of heavy rain when even the pit cover maybe under six inches of water and not visible.
- On 10 November 2017, she received a bill for £3,508.21, an amount three times her normal usage. This bill was dated forty days after the reading was made (RRSTater used to inform her within a week of a reading being taken, if a particular reading was abnormal). She called the company; however, as she was unhappy with its response, which was that it would get back in touch within fifty days, she emailed the company on 23 November 2017 and received an automated response stating that she would receive a response within 10 days. As she did not receive any response, she emailed again on 15 December 2017 and got a further automated response from the company stating she would receive a response within 10 days.
- On 5 January 2018, she contacted the Consumer Council for Water (CCW) as she was concerned about the lack of a response from the company. She received a response from the company on 19 January 2018, some seventy days after her initial complaint. The company apologised for the poor service and advised RST Water would visit the Premises.

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- Two site visits took place; however, the first investigator only dealt with internal meters so was unable to look at anything and the second did not bring any waterproof clothing or equipment so again did nothing. She emailed the company to advise of what had happened and that no progress had been made. The company apologised again in its 19 February 2018 response and advised that it had requested RST Water to visit again. Nothing happened for weeks despite calling the company. A RST Water crew arrived in Mid March and dug around the meter and pumped it out but did nothing to investigate where the leak was, contrary to what she had been told.
- Another inspector arrived on 30 March 2018 who did not even get out of his van before advising it was nothing to do with him.
- As she had not heard from the company, she contacted CCW again as she continued to receive payment requests despite being told they would be put on hold. CCW took forty days to assign another caseworker who then wrote to the company. During this time she had not heard from the company.
- She received an email from the company on 29 June 2018 apologising for the delay but saying that RST Water refused to assist. She had a visit from a RST Water inspector on 18 July 2018 who had a map of the pipeline from the meter to the farm but said that, because of the site of the meter, it was a private supply despite it not being within her boundary and recommended a business to assist her with locating the problem.
- The recommended business assessment was that the meter sitting and run of the pipe was all poor and needed re-routing. He said that he had agreed with RST Water that they would route under the road, free of charge, but she would need to obtain landowner permissions to run an alternative pipe, and that the landowner would not give this permission. The business then advised that he did not want the repair work as it would be a “waste of time” and further leaks would follow. His charge would have been in the region of £5,000.00.
- She also submits that private plumbers are not willing to take on this kind of work.
- She received a letter from RST Water in early August 2018 stating it was the property owner who was responsible for the supply pipe, even where the supply pipe has to travel some distance from the main to the property.
- She has found a contractor who has agreed to find and mend the leak but they have to wait for a license to dig up the road, which has not yet arrived. She has received £120.00 in total in three separate lots of credits where the company/RST Water have acknowledged poor service and delays. The customer asserts, however, that when water is still being lost in excess of £25/per day, that is no comfort.

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- In July 2018, there was a leak caused by '[] Utility' damaging the water pipe when putting in Fibre Optic. Fortunately her neighbour spotted it and '[] Utility' then accepted that they had hit the line and RST Water was there within days. However, it has been one year since the disputed issue arose with no progress.
- She has received final demands without first receiving the bills. However, when she contacted the company it said they were computer errors and should be ignored, despite the company trying to collect them through a standing order. The company also confirmed that the meter had not been read since 17 October 2017.
- This has been an incredibly stressful experience and could and should have been dealt with much earlier.
- The customer asserts they are expecting a bill in the region of £15,000.00 against which she has paid £3,250.00 on account, which represents her approximate normal usage. The customer requests a credit against the final bill in the form of a leakage allowance or something else to represent the water lost during the endless delays that the company acknowledge and repeatedly apologise for. It seems bizarre that the company expect to profit from such poor service it has provided.
- The customer requests that the company relocate the water meter preferably within her boundary or to a location where it can be read all year round for example the stop cock just outside the farm boundary. A meter relocation will give her a chance to identify leaks and avoid scenarios like the current one.

The company's response is that:

- The customer initially called on 20 November 2017 to advise that she had received an invoice for £3,508.21, which was larger than her normal bills. On this call, it explained that as the water had passed through the meter a private plumber would need to be instructed to carry out a leak test. The customer asked for the meter to be moved closer to the property boundary. It confirms that the current meter location is on a grassed embankment, next to the highway, and is a distance from the property.
- Following a site visit, the chamber was cleared of water that had gathered around the meter, but the meter was not re-located. During the same visit a leak had been detected after the meter. When a leak is established after the meter, the customer is required to hire their own plumber to locate and repair the leak on the private pipe work.
- A request was made to the Wholesaler to attend the site to assist in locating a leak, a visit to the Premises was scheduled. However, as the leak was on the private pipe work, the Wholesaler

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sent the customer a letter directly dated 2 August 2018 advising that the leak is private and that it had forwarded on her details to a third party who may be able to help with the leak. This letter also explained pipe work responsibility.

- A leak allowance cannot be applied in this case as the customer has been granted a burst allowance in the past. This is in accordance with the Wholesaler's policy, which states the same. A leak occurred at the customer's premises in 2012. The leak was repaired, and an allowance was granted and credited to the account for £9,242.22 with a letter issued on 3rd September 2013 detailing the allowance and a breakdown of how this had been calculated.
- It has advised the customer that as a burst allowance has been granted previously and so she should contact her insurance company to see if they would cover the charges for water lost due to this leak.
- It has not yet been advised that the customer has repaired the leak and if this is the case, the customer will continue to receive high invoices.
- Regarding the customer's request for a relocation of the meter, the wholesaler's policy states that, if the property is more than fifty metres from the water main, they must install a meter at the start of the supply pipe, a letter was sent to the customer advising of this.
- However, the Wholesale has recently agreed that they will relocate the water meter supplying the customer's property due to a change of policy.
- It has tried to contact the customer to advise her of this as it needs a map from the customer to show where she would like the meter re-locating. It acknowledges that there have been service failings and to compensate for these, it is willing to cover the cost of the meter relocation.
- It has acted in line with its company guidelines regarding advising the customer about the steps needed following the identification of this leak. Its records do not reflect that it advised the customer that it would be in touch in fifty days.
- The customer has been made aware that it is her responsibility to repair the leak, and because an allowance has been granted previously she is not eligible to apply for a second.
- If the customer feels the location of the leak has been caused by a third party installing fibre line as stated in the documentation provided, she would either need to contact her insurance company or pursue the third party who carried out the above works.

Reply

- The customer asserts that the company's offer to relocate the meter free of charge as compensation is a small proportion of the extra cost it has caused due to the delays in getting to this point in the dispute which runs into thousands of pounds.

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- She has received no contact at all regarding moving the meter by email or by telephone from the company or RST Water, as stated in the defence letter.
- She reiterates aspects of the claim including that the third party contact provided to help with the leak suggested the whole of the pipe work be rerouted and refused to find and mend the leak as he considered it a futile exercise. Further, she comments that “endless poor service” and doing nothing is actually quite a profitable way of operating a business.

How is a WATRS decision reached?

In reaching my decision, I have considered two key issues. These are:

1. Whether the company failed to provide its services to the customer to the standard to be reasonably expected by the average person.
2. Whether or not the customer has suffered any financial loss or other disadvantage as a result of a failing by the company.

In order for the customer’s claim against the company to succeed, the evidence available to the adjudicator must show on a balance of probabilities that the company has failed to provide its services to the standard one would reasonably expect and that as a result of this failure the customer has suffered some loss or detriment. If no such failure or loss is shown, the company will not be liable.

I have carefully considered all of the evidence provided. If I have not referred to a particular document or matter specifically, this does not mean that I have not considered it in reaching my decision.

How was this decision reached?

1. The dispute concerns an ongoing leak, which has not yet been located or fixed. I acknowledge that the customer is a ‘non-household’ customer (a business) and further, I remind the parties that the company is the retailer and that RST Water (RST) is the Wholesaler (and water supplier) for the region in which the Premises is located. I note this division occurred as a result of government changes, which opened up the water market and came into effect on 1 April 2017. I find that the company and RST are therefore two distinct and separate entities. I remind the parties that a WATRS application can only be brought against one party. As the customer has a commercial water account, their case has been defended by the company, the retailer, and therefore, for the purposes of this decision, my remit is to determine the issues between the

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customer and the company. I am unable to consider any claims or complaints in relation to RST or other third parties.

2. The customer has submitted her complaint correspondence at Appendices 1 to 15 of the Application and two payment demands dated 23 July 2018 and 8 August 2018 for £6,346.60 and £9,646.57 respectively, in support of her claim.
3. The company has supplied letters to the customer dated 3 September 2013 and 2 August 2018 from RST in support of its Defence. I also acknowledge receipt of CCW documents.
4. The claim concerns a) an ongoing leak, which the customer has been told she is responsible for fixing and paying for any water lost up to when it is fixed, and b) the location of the customer's water meter. I acknowledge that, whilst the leak has not yet been located, RST has indicated it is likely to be somewhere between the external meter/stop tap and the customer's boundary (which is approximately four hundred meters away from meter), meaning it would be on the private part of the supply pipe, which the customer is responsible for. In its Defence the company asserts that a RST inspector confirmed the leak was likely to be on the customer's private supply pipe and that her details were forwarded to a third party who may be able to help with locating the leak. It that asserts this position was confirmed in a letter to the customer from RST dated 2 August 2018 and as yet the customer has not advised that the leak has been fixed. The customer submits that the business recommended by RST in July 2018 to locate and fix the leak, declined to take on the work as he had deemed it futile; however, she has managed to locate a contractor who has agreed to locate and fix the leak but they are waiting for permission to dig up the road (as at the date of the customer's Application). The company asserts that as a leak allowance was provided to the customer in 2013 of £9,242.23, she is not entitled to a further leak allowance as the Wholesaler's policy states that a customer is only entitled to one leak allowance.
5. It is clear that a significant part of the dispute relates to operational issues that fall to the Wholesaler to investigate and/or address. As above, due to the split in the market, this adjudication cannot consider the liability of the Wholesaler in relation to the dispute, as it is a third party in these proceedings. However, as the customer's retailer, the company is responsible for handling customer service issues, billing and complaints and as such I will proceed to consider the dispute from the perspective of whether the company, in its role as the

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customer's retailer, provided its customer services to the standard to be reasonably expected when dealing with the customer's case.

6. In its Defence, the company admits there have been service failings on its part and agrees to compensate the customer for these by covering the cost of the meter relocation that, due to a recent RST change in policy, it confirms that the Wholesaler has agreed to undertake. I find that the company's agreement, on behalf of RST, to carry out this work satisfies one of the remedies sought by the customer in her Application and accordingly, I will record this agreement in a direction below.
7. I acknowledge that in its responses to the customer, the company apologised for the delays. However, I am mindful that in its Defence the company has not explained the service failings it refers to and it has not provided evidence, such as account notes or a Timeline to demonstrate the service it has provided to the customer during the dispute timeframe. It has also not responded to specific claims. I note the following:
 - The customer complains that she received a bill for £3,508.21 from the company on 10 November 2017 that was dated forty days after the date of the meter read. I find that the customer repeated this complaint in her email to the company dated 23 November 2017. In the absence of the company disputing this claim, or explaining the disparity in time between the date of the read being taken and the issuing of the bill, on a balance of the evidence, I accept the customer's assertion. I find that the said bill first alerted the customer to the possibility that there was a leak and therefore I am satisfied that providing a bill forty days after the read date represents an unreasonable delay and is evidence of the company failing to provide its services to a reasonably expected standard.
 - The customer complains that when she called the company on 20 November 2017 regarding the high bill received, it told her it would get back in touch within fifty days. I find that the customer repeats this claim in her email to the company of 23 November 2017. In its Defence the company denies this claim; however, it has not provided any contrary evidence, and moreover, I find that the company acknowledges and apologises for this failing in its subsequent reply to the customer.
 - Furthermore, the customer complains that as she was unhappy with its response during the call, she emailed the company on 23 November 2017, and that the company failed to

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provide a response for around seventy days. In her email, the customer disputed the usage caused by the suspected leak and asked for a meter relocation. The correspondence supplied by the customer confirms that, apart from the company's two responses acknowledging her initial email and her further chaser email of 15 December 2017, the company only responded on 19 January 2018, after the customer had referred her complaint to CCW. I find that this length of time taken by the company to reply to the customer's call and written communication, is unreasonable and outside of the ten day timeframe stated in the company's acknowledgement emails. This is further evidence of the company failing to provide its services to a reasonably expected standard.

- The customer complains that she did not hear from the company for an extended period after its response of 19 February 2018. Whilst it is clear that the company had requested RST to look into the cause of the high consumption again as per its advice given to the customer in its 19 February 2018 response, its next communication to the customer was dated 29 June 2018 after she had complained again to CCW. I can see that the customer had emailed the company on 30 March 2018 reiterating her request for the meter to be relocated and complaining that, despite a further visit from RST, no progress had been made in regards to locating or repairing the leak. However, I find no evidence of any response from the company, until 29 June 2018. There is also a lack of evidence that the company provided an update by the date stated in its 29 June 2018 response to the customer; 13 July 2018. The company has not provided any explanation of these delays either in its Defence, or elsewhere. Therefore, on balance, I find that this is further evidence of the company failing to provide its services to a reasonably expected standard.
- The customer complains that she received final demands from the company without first receiving the bills. Further, she states that when she contacted the company it said they were computer errors and should be ignored (despite the company having tried to collect through payments through a standing order). The customer also claims that the company confirmed at this time that the meter had not been read since 17 October 2017. The company has not responded to these complaints. In relation to the billing complaint, the customer has submitted the payment demands referred to; dated 23 July 2018 and 8 August 2018 for £6,346.60 and £9,646.57 respectively. I am conscious that the company, as a retailer, is responsible for issuing correct bills. It appears that the company had put the customer's account on hold for periods during this dispute and that the final demands were issued in error without having billed the customer, perhaps

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because the account was on hold. However, without any explanation from company regarding this or the claim that it tried to collect the bill amounts, on balance, I find that these events constitute further evidence of company failing to provide its services to a reasonably expected standard.

- In relation to the customer's submission that she was told by the company that it has not taken a meter read since October 2017, I find that not taking a read for this length of time does not represent any breach by the company of its legal obligations. However, in light of the customer's active complaint surrounding this issue, I consider it would be good practice for the company to take more regular reads to monitor the usage being recorded on the meter for the customer. However, it does not constitute evidence of the company failing to provide its services to a reasonably expected standard.

8. In light of my above observations, I find that the company is responsible for: a delay in issuing a bill to the customer, significant delays in responding to her communications/escalating her complaint in relation to the disputed issues and billing errors.
9. The customer seeks for the company to provide a leak allowance/credit against the final bill (which the customer estimates to be approximately £15000.00) to represent the water lost during the "endless delays" that she says the company has acknowledged and repeatedly apologised for. I must reiterate that as a significant part of the claim stems from operational matters and because the provision of a leak allowance would be decided by the Wholesaler, this remedy is outside the scope of WATRS and as such, I cannot make any direction for the company to provide the customer with a leak allowance.
10. However, due to the number and nature of the company's proven service failures when dealing with the customer's case, including prolonged delays in initially responding to and escalating her complaint to RST, I am satisfied that the company is partially responsible for matter remaining unresolved for an extended timeframe. In particular, I find that the seven month timeframe taken for the customer to be provided with a written response and explanation (2 August 2018) of the company's/RST's position in relation to the leak, is a significant failure. There is little evidence of the company chasing the Wholesaler, on behalf of the customer, in respect to investigating the leak as agreed or providing the remedies sought by the customer during this timeframe. I am mindful that this has led to the current situation whereby the customer has been advised that she is liable for the cost of water lost by the leak during these months. The customer has

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confirmed she has received credits totalling £120.00 from the company and I acknowledge that the company has agreed to relocate the customer's water meter and pay for this as compensation. However, in light of my above findings, I find that it is fair for the company to pay a further amount of £1,000.00 in compensation to the customer for the stress and inconvenience caused by its specific service failings.

11. The company in its Defence has asked for the customer to provide it with a map to show where she would like the meter re-locating and therefore the customer should provide this information to the company in order for the meter re-location to be carried out.

Outcome

The company shall pay the customer compensation of £1,000.00 and adhere to its promise to relocate the customer's external water meter, free of charge (please refer to paragraph 11 for more details).

What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 11 December 2018 to accept or reject this decision.
- When you tell WATRS that you accept or reject the decision, the company will be notified of this. The case will then be closed.
- If you do not tell WATRS that you accept or reject the decision, this will be taken to be a rejection of the decision.



A. Jennings-Mitchell, Ba (Hons), DipLaw, PgDip (Legal Practice), MCI Arb

Adjudicator

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